GAS FLARING

September 30, 2020

		Wells			Wells over
	Wells	Flaring over	Current		100
	Flaring over	100 w/o	Exceptions	Exception	Hooked to
Company	100	Exception	(over 100)	Requests	Pipeline
Continental	1	1	0	1	1
Kraken	12	6	6	6	7
Petro-Hunt	2	0	2	0	0
Totals	15	7	8	7	8

Flaring Requests

Summary

There are 15 wells flaring over 100 MCFG per day based on current production numbers.

8 of the 15 wells have approved exceptions due to distance, pipeline capacity issues, or time to connection.

There are 7 exceptions requested at this time.

Continental - Approved 6 Months

Revere 1-31H - API #25-083-22953, 27N-53E-31

- 1. Flaring 120 MCF/D.
- 2. Completed: 2/2013.
- 3. Estimated gas reserves: 258 MMCF.
- 4. Proximity to market: Connected to pipeline
- 5. Flaring alternatives: None.
- 6. Amount of gas used in lease operations: 8 MCF/D.
- 7. Justification to flare: Unable to sell due to H2S. Currently uneconomic to treat H2S and insufficient capacity issues at Grasslands Plant. It is estimated that it would create a loss of \$3.16/MCF to treat and sell gas at current prices.

Kraken - Approved 6 Months

Rowin 17-8 #1H - API #25-083-23350, 26N-59E-21

- 1. Flaring 258 MCF/D.
- 2. Completed: 8/2018.
- 3. Estimated gas reserves: 480 MMCF.
- 4. Proximity to market: Connected to pipeline.
- 5. Flaring alternatives: None.
- 6. Amount of gas used in lease operations: 7 MCF/D.
- 7. Justification to flare: Contracted/connected with ONEOK Rockies Midstream, Kraken has had very limited success selling gas into the line due to sales line pressure.

Taylor LW 14-23 #1H - API #25-083-23368, 25N-58E-11

- 1. Flaring 604 MCF/D.
- 2. Completed: 3/2020.
- 3. Estimated gas reserves: 605 MMCF.
- 4. Flaring alternatives: Kraken has installed a mobile NGL recovery unit on this well which processed 206 mcf/day of gas in June. Kraken also is working with a third party to use the gas to generate power in a Digital Flare Mitigation project. Once the project is operational, an additional 80-120 MCF/day will be used
- 5. Amount of gas used in lease operations: 7 MCF/D.
- 6. Justification to flare: This well would be routed to the ORM Yellowstone Compressor Station, however, that station is currently at full capacity.

Taylor 14-23 #2H - API #25-083-23369, 25N-58E-11

- 1. Flaring 583 MCF/D.
- 2. Completed: 3/2020.
- 3. Estimated gas reserves: 608 MMCF.
- 4. Flaring alternatives: Kraken has installed a mobile NGL recovery unit on this well which processed 215 mcf/day of gas in June. Kraken also is working with a third party to use the gas to generate power in a Digital Flare Mitigation project. Once the project is operational, an additional 80-120 MCF/day will be used
- 5. Amount of gas used in lease operations: 7 MCF/D.
- 6. Justification to flare: This well would be routed to the ORM Yellowstone Compressor Station, however, that station is currently at full capacity.

Taylor 14-23 #3H - API #25-083-23370, 25N-58E-11

- 1. Flaring 565 MCF/D.
- 2. Completed: 3/2020.
- 3. Estimated gas reserves: 598 MMCF.
- 4. Flaring alternatives: Kraken has installed a mobile NGL recovery unit on this well which processed 194 mcf/day of gas in June. Kraken also is working with a third party to use the gas to generate power in a Digital Flare Mitigation project. Once the project is operational, an additional 80-120 MCF/day will be used
- 5. Amount of gas used in lease operations: 7 MCF/D.
- 6. Justification to flare: This well would be routed to the ORM Yellowstone Compressor Station, however, that station is currently at full capacity.

Taylor 14-23 #4H - API #25-083-23371, 25N-58E-11

- 1. Flaring 474 MCF/D.
- 2. Completed: 3/2020.
- 3. Estimated gas reserves: 582 MMCF.
- 4. Flaring alternatives: Kraken has installed a mobile NGL recovery unit on this well which processed 164 mcf/day of gas in June. Kraken also is working with a third party to use the gas to generate power in a Digital Flare Mitigation project. Once the project is operational, an additional 80-120 MCF/day will be used
- 5. Amount of gas used in lease operations: 7 MCF/D.
- 6. Justification to flare: This well would be routed to the ORM Yellowstone Compressor Station, however, that station is currently at full capacity.

Taylor 14-23 #5H - API #25-083-23372, 25N-58E-11

- 1. Flaring 634 MCF/D.
- 2. Completed: 3/2020.
- 3. Estimated gas reserves: 637 MMCF.
- 4. Flaring alternatives: Kraken has installed a mobile NGL recovery unit on this well which processed 222 mcf/day of gas in June. Kraken also is working with a third party to use the gas to generate power in a Digital Flare Mitigation project. Once the project is operational, an additional 80-120 MCF/day will be used
- 5. Amount of gas used in lease operations: 7 MCF/D.
- 6. Justification to flare: This well would be routed to the ORM Yellowstone Compressor Station, however, that station is currently at full capacity.